

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:	§	Case No. 24-90061 (MI)
	§	
HORNBLOWER HOLDINGS, LLC,	§	Chapter 11
<i>et al.</i> ¹ ,	§	
	§	
Debtors.	§	Jointly Administered

**ECOLAB INC.’S LIMITED OBJECTION AND RESERVATION OF RIGHTS TO
DEBTORS’ PROPOSED SALE OF THE AQV ASSETS AND VESSELS**

Ecolab Inc., (“Ecolab”) by its undersigned attorneys, hereby submits this limited objection and reservation of rights to Debtors’ proposed sale of the AQV Debtors’ Assets as set forth in the bidding procedures (the “Bidding Procedures”) approved by the Court by entry of an order on February 28, 2024 [Docket No. 166] (the “Bidding Procedures Order”),² and in the Notice Of Auction For The Sale Of The Debtors’ AQV Assets Free And Clear Of Any And All Liens, Claims, And Encumbrances (Docket No. 177, The “Sale Notice”), as follows:

1. Ecolab is the global leader in cleaning, sanitizing, housekeeping, laundry, food safety, pest elimination and pest control products and services. Ecolab delivers comprehensive programs and services to foodservice, food and beverage processing, healthcare, and hospitality markets in more than 160 countries.

¹ The last four digits of Debtor Hornblower Holdings LLC’s tax identification number are 6035. Due to the large number of debtor entities in these chapter 11 cases, for which the Debtors have requested joint administration, a complete list of the debtor entities and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ proposed claims and noticing agent at <https://omniagentsolutions.com/Hornblower>. The location of the Debtors’ service address for purposes of these chapter 11 cases is: Pier 3 on The Embarcadero, San Francisco, CA 94111.

² Capitalized terms not otherwise defined herein shall have the meanings given in the Bidding Procedures Order.

2. Ecolab has a contract with Debtor entity Hornblower Cruises and Events, LLC, namely a Product and Services Supply Agreement dated as of May 1, 2021 (the “Supply Agreement”) under which Ecolab provides cleaning and sanitizing products, as well as dish washing machines, water softeners, and other related equipment to many of the Debtors’ vessels across its combined enterprise. Ecolab’s individual dish machines, water softeners, and other equipment (the “Ecolab Property”) may also be covered by under equipment leases that may specifically relate to one or more pieces of equipment (collectively the “Equipment Agreements” and collectively with the Supply Agreement, the “Ecolab Agreements”).³ Ecolab also supplies the Debtors with pest elimination services and other food safety products and services; such additional services may be covered by one or more additional supply or services agreements. As of the date of this filing, Ecolab is continuing to search its records for additional agreements with the Debtors.

3. Based on Ecolab’s current review of its records, Ecolab leased the following items of Ecolab Property to the Debtors for the use on the AQV Vessels listed in the Sale Notice (the “Ecolab AQV Equipment”) as further identified in the attached **Exhibit A**:

American Queen:

- a. EC44;
- b. Omega SE;
- c. U-HT (x3).

American Duchess:

- a. EC44;
- b. ES2000HT with Vapor Vent (x3);
- c. U-HT (x3).

American Countess:

- a. U-HT (x2);
- b. ES2000HT with Vapor Vent (x3);
- c. EC44.

American Empress:

- a. EC44;
- b. U-LT (x5).

³ Copies of the Ecolab Agreements are not attached due to confidentiality concerns and because the Debtors are believed already to have copies. Should the need arise, Ecolab can produce the documents upon request subject to appropriate protections.

The EC44 is a conveyor dish machine for medium- to high-volume dish washing. The Omega SE is an elevated dish machine intended as a bar glasswasher. The U-HT is a low and high temperature undercounter dish machine. The ES2000HT with Vapor Vent is a high temperature, fast drying single rack dish machine. Ecolab continues to review its records, so reserves the right to modify the list of Ecolab AQP Equipment as circumstances require.

4. Pursuant to the Ecolab Agreements, the Ecolab Property, including the Ecolab AQP Equipment, is and remains the exclusive property of and owned by Ecolab. Debtors only have the right to use the Ecolab Property and the Ecolab AQP Equipment, and at the termination of the Ecolab Agreements, including the Equipment Agreements, such property must be returned to Ecolab.

5. Accordingly, Ecolab submits this limited objection and reservation of rights so that any order approving any sale of the AQP Assets, whether to a Successful Bidder, a Backup Bidder, or as part of any other disposition of the AQP Assets as set forth in the Bidding Procedures, makes clear that any transfer of possession of the Ecolab AQP Equipment and any other Ecolab Property purportedly included in any sale or disposition remains subject to, and is not free and clear of, Ecolab's ownership rights in the applicable Ecolab Property. Further, to the extent that the Equipment Agreements are not assumed, then the Ecolab Property and/or any applicable Ecolab AQP Equipment should be promptly returned to Ecolab, and Ecolab's rights to compensation for any use of, or claims arising from, the Ecolab Property must be preserved.

6. Further, as Ecolab understands the Bidding Procedures Order and from a current review of the docket, Debtors may, but have not yet, issue any cure notices in connection with the possible sale of the AQP Assets. Nonetheless, according to Ecolab's research of its records at this time, Ecolab has an aggregate pre-petition cure claim in connection with the Ecolab AQP Equipment in the amount of not less than \$69,275.04, as summarized below and on **Exhibit B:**

American Queen:	\$11,688.21
American Duchess:	\$15,950.91
American Countess:	\$15,699.65
American Empress:	<u>\$25,936.27</u>
Agg. Total:	\$69,275.04

Ecolab continues to review its records with respect to amounts owed, so Ecolab also reserves its right to modify the above amounts and submit cure objections at the appropriate time.⁴

7. In addition, any cure amounts must account for any unpaid, past due, post-petition amounts in the context of any assumption as of the effective date of assumption. Based on Ecolab's initial research, the aggregate post-petition amounts owed for the rental of the Ecolab AQV Assets as of the date of this limited objection is approximately an additional \$7,100.00. Ecolab also reserves the right to modify this post-petition figure as necessary.

8. To be clear, subject to acceptable cure amounts, satisfactory adequate assurance of future performance (which Ecolab has not yet received and which will be subject to a separate objection deadline), and protection of the ownership rights outlined above, Ecolab is willing to consent to the assumption or the assumption and the assignment of the Equipment Agreements related to the AQV Assets and the transfer of possession of the Ecolab AQV Equipment.

9. If Debtors do seek to assume, or assume and assign any of the Ecolab Agreements, Ecolab also reserves its rights on the issue of adequate assurance of future performance until such time Successful Bidders have been identified and appropriate information regarding such future performance is provided.

10. Finally, in the event that the Supply Agreement or any Equipment Agreements are rejected, Ecolab reserves all rights to recover the applicable Ecolab Property, file appropriate

⁴ Based on its research to date, Ecolab asserts that the proper pre-petition cure amount for the Supply Agreement as a whole is not less than \$159,759.87 (which includes the amounts owed related to the Ecolab AQV Equipment). However, as it appears that the Debtors are not yet proceeding with an enterprise-wide sale, no cure objection is yet necessary with respect to the Supply Agreement as a whole.

claims, including administrative claims, rejection damages claims, and all other claims that might arise in connection with the Equipment Agreement or the Ecolab Property.

WHEREFORE, Ecolab requests that the relief granted in order approving the sale of the AQV Assets or otherwise addressing the assumption, or the assumption and assignments of contracts, be qualified and limited as set forth above, and that the court grant such other and further relief as appropriate.

Dated: March 20, 2024.

/s/ Michael Weems
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CERTIFICATE OF SERVICE

I hereby confirm that on March 20, 2024, a true and correct copy of the foregoing was served to all parties entitled to receive notice via CM/ECF.

/s/ Michael Weems
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